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## Commissioner Comments



Dear Friends,

I have big news for you this month. Regrettably, I must tell you all that Bill Lardy, Director of the SHIC program, will be retiring this month. Bill has worked tirelessly for the SHIC program since 2001 and will be greatly missed by all of us here at the Insurance

Department and I'm sure by many of you—his colleagues, sponsoring organizations, and volunteers.

Bill started at the department back in 1991 in agent pre-licensing and continuing education and then completely switched gears by taking on the SHIC program. Bill's energy, enthusiasm, and hard work have made the SHIC program the success it is today.

In 2005, Bill was awarded the *Francis T. Ishida Award for Customer Service* from the Centers for Medicare and Medicaid Services. This award honors and recognizes the exceptional achievements of CMS staff and partners. Given his hard work and success, this award is certainly deserved. For example, during the first enrollment period for Medicare Part D, Bill and his staff tirelessly worked to enroll seniors and that hard work paid off—North Dakota had the highest signup percentage in the upper Midwest.

Please join me in wishing Bill the best! Please feel free to send Bill a card or to contact him by telephone. His office telephone number is (701) 328-9604. His office address is ND Insurance

# Update

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As always, thank you so much for all that you do for the SHIC program! Without your help, our work would be that much harder. Your efforts are valued and appreciated!



Jim Poolman  
Insurance Commissioner

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## This-N-That

“The time has come, the Walrus said...” And so it is with me. The time has come for me to retire at the end of the year, as Commissioner Poolman announces in his comments. I started my career as a teacher in a one-room rural school, moved on to teach junior high, then senior high, college and finally, teaching senior citizens. The most rewarding years of my working life have been the 5 years I was with SHIC. Those rewards come from being closely associated with each of the SHIC counselors, and knowing they are totally committed and dedicated to their clients. This commitment and dedication is contagious! Without their enthusiasm for helping those they serve, doing my job would have been more demanding and less fulfilling. Not everyone has the privilege of working so closely with so many fine people. I am grateful to Commissioner Poolman for giving me that opportunity.

The last 5 years have been immensely rewarding, too, because of the chance I had to help North Dakota’s senior citizens through the complex transition to Medicare’s coverage of out-patient drugs. The appreciation they have of the assistance they receive from SHIC counselors and staff provided me with encouragement to do what I could to provide support and help to them and to you counselors who did, and are doing, the one-on-one counseling needed for them to make wise decisions.

Looking back at what we have been able to accomplish together, I am grateful for the entire team that developed prior to and during this transition: CMS staff in the Denver office and central office in Baltimore, the Strategic Planning Partners that began meeting in September 2004, and to especially acknowledge the close affiliation with AARP of North Dakota during this time. The willingness of all our counselors and partners to take the lead with their own

constituencies led North Dakota to be among the states having the highest percentage of Medicare beneficiaries enrolled in a Part D plan. Finally, to say thank you to my co-workers in the Insurance Department, especially Corinne Aberle, JoAnn Arnold and Sharon St. Aubin for how much I have depended on them to keep my head above water, cannot do justice to how much I owe them and how I will miss them.



The above quote continues, "... to speak of many things ..." So I should be able to say "many things" but words are failing me. I cannot adequately say how truly grateful I am for all the help I received over the past 5 years and more. I count all of you friends and I will miss the close contact that I have come to depend on. I hope our paths will pass again. Good luck to all of you. God bless you.

Merry Christmas and Happy New Year!

Bill

## 2007 Asset Limits to Determine Eligibility for Low-Income Subsidy Announced

Below is a chart showing the asset limits that will be used to determine eligibility for extra help. These limits will be used for people applying for LIS during 2007. The limits include \$1,500 per person burial allowance.

LIS Level	Marital Status	2006 LIS Resource Standards	2007 LIS Resource Standards
Full Subsidy LIS	Single	\$ 7,500	\$ 7,620
	Married	\$12,000	\$12,190
All Other LIS	Single	\$11,500	\$11,710
	Married	\$23,000	\$23,410

NOTE: The above are the 2007 resource or asset limits. The income limits for 2006 will continue to be used to test eligibility until 2007 Federal Poverty Level amounts are announced in late January. Watch for that announcement.

## 2007 MEDICARE DEDUCTIBLE, COINSURANCE AND PREMIUM RATES

### Medicare Part A for 2007

For Calendar Year (CY) 2007, the following rates are applicable for Medicare Part A Deductible, Coinsurance, and Premium amounts:

<b>Deductible</b>	\$992.00 per benefit period
<b>Coinsurance</b>	\$248.00 a day for days 61-90 in each period \$496.00 a day for days 91-150 for each LRD used \$124.00 a day in a SNF for days 21-100 in each benefit period
<b>Premium</b>	\$410.00 per month for those who must pay a premium \$451.00 per month for those who must pay both a premium and a 10% increase \$226.00 per month for those who have 30-39 quarters of coverage \$248.60 per month for those who have 30-39 quarter of coverage and must pay a 10% increase

### Medicare Part B for 2007

For CY 2007, the following rates are applicable for Medicare Part B Deductible and Coinsurance:

<b>Deductible</b>	\$131.00 per year
<b>Coinsurance</b>	20 percent

CMS updates the Part B premium each year. These adjustments are made according to formulas set by statute. By law, the monthly Part B premium must be sufficient to cover 25% of the program's costs, including the costs of maintaining a reserve against unexpected spending increases. The federal government pays the remaining 75%.

Below are the annual Part B premium amounts from Calendar Year (CY) 1996 to 2006. For these years, and years prior to 1996, the Part B premium is a single established rate for all beneficiaries.

Year	Part B Premium	Year	Part B Premium	Year	Part B Premium
1996	\$42.50	2000	\$45.50	2004	\$66.60
1997	\$43.80	2001	\$50.00	2005	\$78.20
1998	\$43.80	2002	\$54.00	2006	\$88.50
1999	\$45.50	2003	\$58.70	2007	\$93.50

Beginning on January 1, 2007, the Part B premium will be based on the income of the beneficiary. Below are the CY 2007 **Part B premium amounts based on beneficiary income parameters.**

Income Parameters for Determining Part B Premium		
Premium/mon	Individual Income	Combined Income (Married)
\$ 93.50	\$ 80,000.00 or less	\$160,000.00 or less
\$105.80	\$ 80,000.01 - \$100,000.00	\$160,000.01 - \$200,000.00
\$124.40	\$100,000.01 - \$150,000.00	\$200,000.01 - \$300,000.00
\$142.90	\$150,000.01 - \$200,000.00	\$300,000.01 - \$400,000.00
\$161.40	\$200,000.01 or more	\$400,000.01 or more